

### STATE OF HAWAII

# STATE PUBLIC CHARTER SCHOOL COMMISSION ('AHA KULA HO'ĀMANA)

http://CharterCommission.Hawaii.Gov 1111 Bishop Street, Suite 516, Honolulu, Hawaii 96813 Tel: (808) 586-3775 Fax: (808) 586-3776

FOR: HB 622 RELATING TO PUBLIC CHARTER SCHOOLS

DATE: January 31, 2019

TIME: 2:15 P.M.

COMMITTEE: Committee on Lower & Higher Education

ROOM: Conference Room 309

FROM: Sione Thompson, Executive Director

State Public Charter School Commission

Chair Woodson, Vice Chair Hashem, Vice Chair Perruso, and members of the Committee:

The State Public Charter School Commission ("Commission") appreciates the opportunity to submit this testimony in **SUPPORT of HB622 with comments.** The Commission is grateful for the support of the committee in supporting and strengthening the Commission's oversight role and appreciates the intent of the bill to provide more accountability and transparency for state funds by allowing the authorizer to review and determine the independent auditors eligible to service the public charter schools.

The Commission would appreciate the opportunity to discuss the bill's requirement to establish a purchase order system to pay charter school expenses with the committee and the Legislature. The establishment and operations of a purchase order system would require additional funding and additional personnel in order to develop, implement, and administer this system that would service all 37 charter schools in the State. The Commission looks forward to any guidance and assistance from the committee and Legislature in determining available funding for this requirement.

Thank you for the opportunity to provide this testimony.

Submitted on: 1/30/2019 10:34:16 AM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Susan Osborne	Kua O Ka La NCPCS	Oppose	No	

# Comments:

# Aloha

This bill is a big concern as the withholding of public funds if a Federal investigation is occurring, means the likelihood that the school will be shut down due to lack of operating funds. These investigations can take time and Charters usually only have up to 30 days operating reserves. This also means that the actions of one person in a school can shut the school down greatly impacting students, staff and the community it serves. This would all occur during an investigation when all facts or resolutions have not yet been revealed.

"The presumption of innocence is a legal principle that one is considered innocent until proven guilty' This bill absolutely contradicts this foundational principle. Even if one person in the school has harmed the school, should the whole school suffer those consequences?

All Charter Schools get audits annually so this part of the bill is confusing.

We understand the intent of this bill and do not negate the seriousness of the management of public funds but this bill as it is currently presented is very concerning.

<u>HB-622</u> Submitted on: 1/30/2019 10:53:31 AM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Taffi Wise	Individual	Oppose	No

Submitted on: 1/30/2019 11:07:37 AM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Evan Anderson	Voyager Public Charter School	Support	No

### Comments:

Aloha, Honorable Legislators;

As Principal, parent, and twelve-year employee at Voyager Public Charter school in Honolulu, I know first-hand the struggles that start-up charter schools face in providing high-quality education with limited resources. As you know, public charter schools in our state are charged with providing unique and successful education alternatives to our keiki statewide, while given a per-pupil allocation (just over \$7,000) that falls far short of the average cost of educating a child in the DOE system (between \$12,000 and \$13,000).

While conversion charter schools inherit a facility in which to implement their vision, start-up charter schools such as Voyager are faced with the challenge of paying ALL facility costs out of our per-pupil allocation. Our school of nearly 300 students has resided in three separate locations, moving twice due to unsustainable facility rent costs. Facility costs have consumed up to 35% of our total budget, forcing us to make budget and program choices that seriously compromised our ability to deliver on the Voyager vision.

Our current location and its more reasonable rent has allowed us to rebuild our program to a level that we can take pride in, and Voyager now enjoys a strong reputation as a model public charter school. However, we know how much more we and our sister schools could accomplish if we were provided equitable and adequate facilities support from our state.

I urge you to lend your support for this bill, in the spirit of providing high-quality facilities for our charter school community who, with your help, can move from "good" to "great," and become a point of pride for our state education system.

Sincerely,

**Evan Anderson** 

Principal

Voyager Public Charter School

2428 Wilder Ave

Honolulu, HI 96822

HB-622 Submitted on: 1/30/2019 11:33:56 AM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kahele Nahale-a	Laupahoehoe Community PCS	Oppose	No

HB-622 Submitted on: 1/30/2019 11:58:29 AM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Nancy Levenson	Individual	Oppose	No

Submitted on: 1/30/2019 12:19:11 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Angelique Solomon	Individual	Oppose	No

# Comments:

# **OPPOSE HB 622**

House Committee on Lower and Higher Education

January 30, 2019 x 2:15pm

Hawai`i State Capitol x Conference Room 309

To: Honorable Rep. Justin H. Woodson,

Chair and Honorable Rep. Amy A.

Perruso, Vice Chair

Honorable Committee Members: Rep. Lynn DeCoite, Rep. Aaron Ling Johanson, Rep. Dale T. Kobayashi, Rep. Takashi Ohno, Rep. Sean Quinlan, Rep. David a. Tarnas, Rep. James Kunane Tokioka, Rep. Val Okimoto

From: Angelique K. Solomon

Parent, Citizen and Advocate for Hawaii Public Charter Schools

1238A Halona Place Honolulu, HI 96817

808-542-4197

Dear Honorable Rep. Woodson Chair; Honorable Rep. Perruso, Vice Chair; and Honorable Committee Members:

My name is Angie Solomon. My daughter currently attends Voyager Public Charter. As a parent I only want the best for my children. As the first person in my family to attend

college and complete a master's degree, I know first hand the importance of education and how it can impact the economic trajectory for low-income families providing the opportunity to crush the cycle of poverty, but it starts with the opportunity to quality, innovative, responsive public education that allows parents, teachers, and administers to work collaboratively to ensure a better future for our keiki and I strongly believe that Hawaii's public charter schools provide that platform.

While the idea behind HB 622 is reasonable, the bill as written charges our Charter Commission with tasks beyond its capacity (centralized purchase order system, mandated commission-selected financial audits). I strongly urge the House Committee on Lower and Higher Education to vote **Against** this bill, as Hawaii charter schools already complete annual financial audits with auditors of their own choosing, and have proven their ability to manage their financial matters, including purchasing, responsibly. I humbly request that the Committee on Lower and Higher Education Oppose HB 622.

Thank you,

Angie Solomon

<u>HB-622</u> Submitted on: 1/30/2019 12:24:19 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Brandon Keoni Bunag	Halau Ku Mana Public Charter School	Oppose	No

Submitted on: 1/30/2019 12:34:45 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Janlyn Ryusaki-Phillips	Individual	Oppose	No

# Comments:

I strongly opposed this bill!!! It only hurts charter schools more!

Thank you, Janlyn

<u>HB-622</u> Submitted on: 1/30/2019 1:43:32 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Hedy L Sullivan	Kula Aupuni Niihau A Kahelelani Aloha (KANAKA) PCS	Oppose	No

Submitted on: 1/30/2019 1:50:52 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Katie Benioni	Individual	Oppose	No

# Comments:

I oppose this bill. One of the purposes of charter schools is to reduce adminstrative burden, I do not see how the changes in this bill would acheive that with the potential for the Authorizer to become inundated with additional financial work. With the structure of our current Authorizer, performing that additional work is unrealistic. If an entity has fallen out of compliance with the federal government, there are consequences which are mandated and the entity has to comply with the federal mandates or face consequences that are issued by the federal government. What is necessitating this additional micromanagment? Asking the charter school authorizer to intervene in this process when to date there has been no history of charter schools needing this type of oversight, scrutiny, etc. With the broad sweep of "criminal investigation of or criminal charges against any employee," the school and its students could be jeopardized for things completely unrelated and which were strictly the private actions of an individual which happened to work at the school. This seems ridiculous. Is this same oversight conducted for all state offices and state employees?

On the point relating to audits, have there been insufficient audits to date? Aren't auditing firms also regulated by the federal governement and now the state feels the need to play judge and jury on the competence of auditing firms. A healthy business environment is one in which competition exists. Having the Authorizer contract an auditor for 37 schools leaves room for potential bias and price gouging. I do not see how this bill is beneficial to the state or to charters.

<u>HB-622</u> Submitted on: 1/30/2019 1:59:23 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Charlene Hoe	Ka Huli o Haloa	Oppose	No

<u>HB-622</u> Submitted on: 1/30/2019 2:11:27 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John Thatcher	Connections PCS	Oppose	No

Submitted on: 1/30/2019 2:03:13 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Gene Zarro	South Maui Learning Ohana, inc.	Oppose	No	

# Comments:

Aloha,

I am testifying in opposition to HB622. This bill will go a long way in pushing back the gains public charter schools in Hawaii have achieved over the past 20 years.

It is completely ill conceived and should be stopped in this committee.

Mahalo

Gene Zarro, CEO, South Maui Learning Ohana, inc.

<u>HB-622</u> Submitted on: 1/30/2019 2:13:34 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Steven Sullivan	KANAKA PCS	Oppose	No

DAVID Y. IGE GOVERNOR

DAVID Y. GIBSON
HO'OKAKO'O
CORPORATION
EXECUTIVE DIRECTOR



STATE OF HAWAII Kamaile Academy PCS 85-180 Ala Akau Street Waianae, Hawaii 96792 Sione Thompson
CHARTER SCHOOL
COMMISSION
EXECUTIVE DIRECTOR

Paul Kepka KAMAILE ACADEMY INTERIM PRINCIPAL



# HOUSE OF REPRESENTATIVES COMMITTEE ON LOWER AND HIGHER EDUCATION

Rep. Justin H. Woodson, Chair Rep. Mark J. Hashem, Vice Chair Rep. Amy A. Perruso, Vice Chair

# **TESTIMONY IN OPPOSITION TO H.B. 622**

RELATING TO PUBLIC CHARTER SCHOOLS Thursday, January 31, 2019, 2:15 PM Conference Room 309, Hawai'i State Capitol

Chair Woodson, Vice Chair Hashem, Vice Chair Perruso and Members of the Committee:

Kamaile Academy Public Charter School <u>OPPOSSES H.B. 622</u> which would require authorizers to withhold public charter school funding for any school under federal investigation. Requires authorizers to establish a purchase order system to pay charter school expenses. Requires charter schools to be subject to an annual financial audit. Requires authorizers to select the independent auditors that are to perform the audits on public charter schools.

We are in favor of charter schools being required to demonstrate sound fiscal practices, performance and legal compliance, accountability and transparency. Our opposition to H.B. 622 is due to the lack of clarity in sections of the bill and the severe adverse impact this could potentially have on the operations of charter schools and the education of charter school children.

Section 302D-A of the bill seems to suggest that charter schools would lose access to their state funding during any federal investigation, effectively jeopardizing the school's continued operations. This action could directly punish the students through the closure of their school due to the alleged actions of a school employee.

Section 302D-28(f) is unclear as to whether all charter schools would be required to process all purchase orders through the Commission, and whether the Commission would be responsible for the disbursement of those funds. This is an unnecessary burden on those charter schools with sound fiscal practices and policies, and appears to have the potential to overwhelm the capacity of the Commission.

Kamaile Academy Public Conversion Charter School is supported by Hoʻokākoʻo our local school board established in 2002 with the mission to empower communities to develop high quality, student-centered, and sustainable Hawaiian-focused charter schools by providing exceptional educational support services, mutual accountability, and a culture of learning. Our children, most of whom are from low income families, deserve every opportunity that helps them succeed in school and in life.

Kamaile Academy Public Conversion Charter School opposes H.B. 622 and respectfully requests that the House Committee on Lower and Higher Education not pass H.B. 622 in its present form.
Mahalo
Paul Kepka
Principal





# HOUSE OF REPRESENTATIVES COMMITTEE ON LOWER AND HIGHER EDUCATION



Rep. Justin H. Woodson, Chair Rep. Mark J. Hashem, Vice Chair Rep. Amy A. Perruso, Vice Chair

### **TESTIMONY IN OPPOSITION TO H.B. 622**

RELATING TO PUBLIC CHARTER SCHOOLS Thursday, January 31, 2019, 2:15 PM Conference Room 309, Hawai'i State Capitol

Chair Woodson, Vice Chair Hashem, Vice Chair Perruso and Members of the Committee:

Ho'okako'o Corporation <u>OPPOSSES H.B. 622</u> which would require authorizers to withhold public charter school funding for any school under federal investigation. Requires authorizers to establish a purchase order system to pay charter school expenses. Requires charter schools to be subject to an annual financial audit. Requires authorizers to select the independent auditors that are to perform the audits on public charter schools.

We are in favor of charter schools being required to demonstrate sound fiscal practices, performance and legal compliance, accountability and transparency. Our opposition to H.B. 622 is due to the lack of clarity in sections of the bill and the severe adverse impact this could potentially have on the operations of charter schools and the education of charter school children.

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Ho'okāko'o is a 501(c)(3) nonprofit educational organization established in 2002 with the mission to empower communities to develop high quality, student-centered, and sustainable Hawaiian-focused charter schools by providing exceptional educational support services, mutual accountability, and a culture of learning. Our children, most of whom are from low income families, deserve every opportunity that helps them succeed in school and in life.

Ho'okako'o opposes H.B. 622 and respectfully requests that the House Committee on Lower and Higher Education not pass H.B. 622 in its present form.

Thank you

David Y. Gibson, Executive Director

(808) 983-3835





# STATE OF HAWAI'I Kualapu'u School Public Conversion Charter

P O Box 260 Kualapu'u, Molokai, Hawaii 96757 Phone: (808) 567-6900, Fax: (808) 567-6906

# HOUSE OF REPRESENTATIVES COMMITTEE ON LOWER AND HIGHER EDUCATION

Rep. Justin H. Woodson, Chair Rep. Mark J. Hashem, Vice Chair Rep. Amy A. Perruso, Vice Chair

# **TESTIMONY IN OPPOSITION TO H.B. 622**

RELATING TO PUBLIC CHARTER SCHOOLS Thursday, January 31, 2019, 2:15 PM Conference Room 309, Hawai'i State Capitol

Chair Woodson, Vice Chair Hashem, Vice Chair Perruso and Members of the Committee:

Kualapuu Public Conversion Charter School <u>OPPOSSES H.B. 622</u> which would require authorizers to withhold public charter school funding for any school under federal investigation. Requires authorizers to establish a purchase order system to pay charter school expenses. Requires charter schools to be subject to an annual financial audit. Requires authorizers to select the independent auditors that are to perform the audits on public charter schools.

We are in favor of charter schools being required to demonstrate sound fiscal practices, performance and legal compliance, accountability and transparency. Our opposition to H.B. 622 is due to the lack of clarity in sections of the bill and the severe adverse impact this could potentially have on the operations of charter schools and the education of charter school children.

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Section 302D-28(f) is unclear as to whether all charter schools would be required to process all purchase orders through the Commission, and whether the Commission would be responsible for the disbursement of those funds. This is an unnecessary burden on those charter schools with sound fiscal practices and policies, and thus appears to have the potential to overwhelm the capacity of the Commission.

Kualapuu Public Conversion Charter School is supported by Hoʻokākoʻo our local school board established in 2002 with the mission to empower communities to develop high quality, student-centered, and sustainable Hawaiian-focused charter schools by providing exceptional educational support services, mutual accountability, and a culture of learning. Our children, most of whom are from low income families, deserve every opportunity that helps them succeed in school and in life.

Kualapuu Public Conversion Charter School **opposes H.B. 622** and respectfully requests that the House Committee on Lower and Higher Education not pass H.B. 622 in its present form.

Thank you,

Lydia Trinidad Principal





# Ke Kula 'o Samuel M. Kamakau Laboratory Public Charter School

46-500 Kūneki St. Kāne'ohe, Hawai'i 96744 \*Kelepona: 808.235.9175 \*Kelepa'i: 808.235.9173 E mālama 'ia ana ka mauli ola o kākou mai kēlā hanauna a i kēja hanauna.

Before the House Committee on Lower and Higher Education, House Bill 622 Relating to Public Charter Schools

January 31, 2019 2:15 pm, Rm 309

Chair Woodson, Vice Chair Hashem & Vice Chair Perruso, and members of the Committee

# STRONGLY OPPOSE

Ke Kula 'o Samuel M. Kamakau **strongly opposes** HB 622, which amends Chapter 302D, Hawaii Revised Statutes by adding the following, 1) Require authorizers to withhold public charter school funding for any school under federal investigation, 2) Requires authorizers to establish a purchase order system to pay charter school expenses 3) Requires charter schools to be subject to an annual financial audit, and 4) Requires authorizers to select the independent auditors that are to perform the audits on public charter schools

This bill will intentially penalize the state public charter schools for the personal actions of their individual employees, **prior** to any conviction of criminal wrong-doing. Withholding per pupil funding to the schools for such actions may ultimately result in school closure for many, displacing a community of learners for what in the end may be a non-guity verdict.

Secondly, the language in this bill is unclear regaring the purchse order system being proposed. It is highly unrealistic to expect school leadership to reqest funding from a purchase order system, especially when the authorizer does not have the capacity to carry out such a system. While the Hawaii State Department of Education is moving towards more school-level decision making and authority the scale is being unfairly tipped in the other direction for the charter schools.

Lastly, Hawaii public charter schools are already being subjected to inequitable funding. A requirement for an annual audit in lieu of a financial review should be additionally funded by the state to prevent placing an unduly financial burden on the schools. As charters are held to these higher standards, I also welcome the same requirements for all public department of education schools and state agencies as a consistent measure across the state.

Once again, we are in **STRONG OPPOSITION to HB622** to. In closing, we would like to thank the Committee on Lower and Highter Education for this opportunity to share our mana'o.

Me ke aloha.

dry Kelley

I Kelling Kahu, Director



<u>HB-622</u> Submitted on: 1/30/2019 2:15:20 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kia matias	Kula Aupuni Niihau A Kahelelani Aloha (KANAKA) PCS	Oppose	No



<u>HB-622</u> Submitted on: 1/30/2019 2:40:06 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Valentina Kanahele	Kula Aupuni Niihau A Kahelelani Aloha (KANAKA)PCS	Oppose	No



<u>HB-622</u> Submitted on: 1/30/2019 3:13:01 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kalima Cayir	Volcano School of Arts & Sciences	Oppose	No



Submitted on: 1/30/2019 3:43:34 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeffrey Mermel	Individual	Oppose	No

# Comments:

As a homeowner and taxpayer and because I DO VOTE, I strongly OPPOSE this bill.

Thank you,

Jeffrey Mermel



<u>HB-622</u> Submitted on: 1/30/2019 5:15:08 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
W. Mapuana Waipa	Ke Ana La'ahana PCS	Oppose	No



<u>HB-622</u> Submitted on: 1/31/2019 6:53:17 AM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Denise Espania	Individual	Oppose	No



Submitted on: 1/31/2019 8:11:53 AM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Laura Smith	Kapolei Charter School	Oppose	No

# Comments:

Kapolei Charter School is opposed to HB 622, which "Requires authorizers to withhold public charter school funding for any school under federal investigation. Requires authorizers to establish a purchase order system to pay charter school expenses. Requires charter schools to be subject to an annual financial audit. Requires authorizers to select the independent auditors that are to perform the audits on public charter schools."

The manner in which this bill is written would effectively stop funds from any charter school for any type of federal investigation creating a situation of being considered guilty before an investigation is completed. By stopping a school's funding, this could cause a charter school to close unexpectedly cretaing a crisis for students, parents and the community.

We do not believe this is helpful in supporting the excellent work of our charter schools and urge the committee to defer this bill.

Submitted on: 1/31/2019 12:10:51 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

# Late Testimony

Submitted By	Organization	Testifier Position	Present at Hearing
Steve Hirakami	HAASPCS	Oppose	No

# Comments:

I strongly oppose this bill. For a compromise, those charters who have federal investigations underway may be subject to having their allocations be monitored and subject to a purchase order system but depending on the severity and circumstance of the investigation. Let's not punish the entire school for actions of one person which migjht be easily mitigated. As far as subjecting the entire charter school system to this purchase order system, there is no mechanism that exists within the Commission to handle the hundreds of thousands transactions that we deal with on an annual basis. Please reconsider the language in this bill.

# Late Testimony

HB-622

Submitted on: 1/31/2019 2:28:49 PM

Testimony for LHE on 1/31/2019 2:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kehaulani Aipia-Peters	Ke Kula O Nawahiokalaniopuu	Oppose	No